The A. F. of L. Weekly News Service gives news accounts and official interpretations of matters affecting labor acquiring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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VICTORY BUY UNITED STATES WAR SAVINGS BONDS and STAMPS

Thru Payroll Savings

WHOLE NO. 1736 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, SEPTEMBER 11, 1945 | GEORGE MEANY, Secretary-Treasurer | VOL. 35, NO. 37

PACIFIC REPORT

By GEORGE RICHARDSON
Special Correspondent for AFLWNS

I was in Guam the day Japan surrendered. It may surprise you to hear that the victory celebration there was relatively quiet, partly because there was very little to celebrate with and partly because of the heat.

The important thing in the life of every G. I. at that moment was:

"How long will it take before I can get back to my home and friends?"

For the first time, our boys in uniform started going in for higher mathematics with enthusiasm. Up to that point, while the fighting was still going on, the men weren't so keen on getting out of uniform. But the instant the war ended, they began adding up their points.

Next to getting home, the big question in their minds was:

"What's the chances of getting a good job when we return?"

The next morning I talked to Admiral Nimitz. He invited me and the other labor press correspondents, who were making a tour of Pacific outposts at the invitation of the War and Navy Departments, to attend his staff conference at which the windup of war operations was discussed.

Three days later we flew to Manila, getting there just in time to see the arrival of the Japanese emissaries for talks with Gen. MacArthur's staff on arrangements for the occupation. Naturally, Gen. MacArthur was very busy. But he found time to see us at his headquarters and to tell us something of the problems he would be confronted with as Commander of the Allied Occupation Forces in Japan. Later we had lunch with him and at that time he spoke about labor.

Gen. MacArthur made it clear that the whole operation of the war was on a team basis. He regarded the production efforts of labor as a vital part of the victory team. If labor hadn't done its work effectively and produced vast quantities of fighting equipment, our armed forces would not have been able to defeat the enemy so soon—that was the very definite impression he gave us.

We said good-bye to Gen. MacArthur just before he left for Okinawa. Not being able to go along, I arranged to leave for home immediately. Manila is not an attractive place at which to stay these days. The word ruin doesn't adequately describe what has happened to that city. By contrast, the reconstruction at Guam is a miracle, while Hawaii is a paradise. To give you an idea of how speed abolishes distance, we made the return trip from Manila in an Army transport plane in 55 hours.

My general impression of the trip is that America is in the Pacific to stay—that we must keep and develop a chain of Pacific bases in order to protect our own country against any future aggression.

Huge Public Works Program Ready

Washington, D. C.—Plans are ready for $2,500,000,000 worth of public construction to be undertaken in the next 12 months. Work can be put under way on many projects as soon as the War Production Board gives the word. There may be some delay on Federal projects, principally flood control, river and harbors and reclamation, until Congress appropriates the carrying funds.

Relaxation by the WPB of construction controls, except perhaps on housing, is expected about October 1. That will be the impetus to release a great backlog of needed work which has accumulated during the war.

The $3,000,000,000 three-year Federal-aid road program is ready for action. The $500,000,000 Federal allotment for the first year, to be matched equally by the States, has already been apportioned, although Congress has to make the appropriation. On August 1 the States reported plans were drawn up for work estimated to cost $616,000,000.

President Truman has asked Congress for release, in addition, $164,750,000 of road authorizations for previous years which were put aside during the war. These plans call for roads in national forests and parks, access roads to Indian reservations, and parkways. Such construction was halted or deferred on reclamation and irrigation projects totaling $1,156,981,200 because of the war. The Reclamation Bureau estimates that to finish work now under way will cost $171,597,000. The bureau has $60,000,000 immediately available for this construction, however, without waiting for additional appropriations.

Army engineers have plans ready for more than 250 flood-control and rivers and harbors project, to cost $750,000,000. They estimate that more than $75,000,000 can be spent in the first year on flood-control works suspended during the war and almost $200,000,000 on new projects.

The projects have been authorized by Congress, but no money has been appropriated. The engineers will seek funds for commencement of work in a deficiency appropriations bill.

Employer Praises Union And Workers in Farewell

Minneapolis.—In a farewell letter to his employes, Charles L. Horn, President of the Twin Cities Ordnance Plant of the Federal Cartridge Corp., paid high tribute to their war services and to the cooperation of the American Federation of Labor, which represented them. The plant was closed down when the war ended. In his letter, Mr. Horn said:

"This will be my farewell letter to many of you. Peace is at hand. The day for terminating war production at the Twin Cities Ordnance Plant has come.

"August, 1941, saw the commencement of this great plant. In April, 1942, the first cartridges were produced since that day over four billion cartridges of high quality have been accepted by the United States Government. A great feat. In fair weather and foul the faithful employes have done a magnificent job. Now comes the end, and to each and every one of you I extend the hand of fellowship, bid you good-bye and wish you godspeed. I hope in the future you will always recall with pride the splendid task you have performed. I hope that our paths will often cross and that when you remember the plant you will also remember the management, who have always endeavored to be equitable and fair in all things.

"I would not feel satisfied with this farewell unless I expressed to the leaders of the American Federation of Labor my appreciation of their encouragement and help. Our association has been a very pleasant one. The leaders and members have always shown a willingness to help solve the problems which have arisen from time to time. Since the day we commenced operation not one minute's time has been lost in operation because of labor difficulties. This is a record of which the management feels proud, and it is a record which must be very gratifying to the unions and their leaders. I am confident the success of this operation can be attributed to the cooperation which the management has always received."

SAY, LISTEN!

For the rest of this year, the AFL presents each Saturday evening at 6:45 P.M., EWT, over the nation-wide network of the American Broadcasting Company a radio news-magazine, featuring the latest news at home and abroad and special reports by expert commentators on important labor problems. This program is listed in the radio columns of your newspaper as "Labor-U.S.A." Our own subtitle for the program is "The American Federationist of the Air." Don't miss these bright, newsy broadcasts! Listen every Saturday night!

Congress Balks At Truman's Liberal Program; Green Rallies Workers To Support President

Green Acclaims President's Message And Urges Congress To Heed Appeal For Jobless Pay Bill

Washington, D. C.—AFL President William Green gave unstinted praise to the recovery program proposed by President Truman in his message to Congress. Mr. Green said:

"President Truman has charted a course for the nation's future which every intelligent American must applaud. It is now up to Congress to implement the President's program by enacting the measures he recommended.

"First and foremost of these is the Kilgore Unemployment Compensation bill.

"The American Federation of Labor joins President Truman in placing this bill at the top of its list of 'must' legislation and will weigh the voting records of members of Congress accordingly before making endorsements in the next campaign.

"Chief opposition to this bill stems from an unholy combination of State bureaucrats, who wish to perpetuate themselves in office, and unprincipled big corporations who would like to starve labor into submission. Some of these corporations have even gone so far as to hire expensive lawyers to fight any claims submitted for State unemployment compensation.

"President Truman truly stated in his message that attempts have been made to misrepresent the objectives and purposes of the Kilgore Bill.

"The most serious of these misrepresentations is the claim that Federal supplementation of State unemployment compensation payments could not be permitted under the laws of some 18 States. The fact is that the provisions of these State laws were designed to prevent chiseling by compensation seekers. To say that such provisions would bar the Federal Government from adding to the inadequate State payments is a tortured interpretation of the law which would never stand up in court.

"Congress should not be guided in this matter by patronage-hungry State employes and paid propagandists, but by the President of the United States, by the Social Security Board, which is familiar with all the facts, and by its own good common sense."

Mr. Green also made public letters to Chairman George of the Senate Finance Committee and Chairman Doughton of the House Ways and Means Committee, now considering unemployment compensation legislation. He wrote:

"I have been much concerned about some of the misinformation that has been presented in the course of the hearings on the bills dealing with supplementary unemployment compensation during the period of reconversion.

For example, a great deal of misunderstanding has resulted from the failure of the hearings to make it clear to the public that the figures of $25 and 26 weeks do not relate to flat benefit schedules but to maximum limitations for which only a small proportion of workers would be eligible. It is such misunderstanding that causes the public to give weight to such meaningless phrases as 'rocking-chair money.'

"Some of this testimony runs to the contention that the proposals are not within the proper sphere of the Federal Government and that the matter should be left entirely to the States. It must be borne in mind that we never had any unemployment compensation programs in this country until the Federal Government acted. When the Social Security Act of 1935 was passed not a single State in the Union was paying unemployment compensation benefits. Since the State programs were developed in response to the leadership of the Congress, why is it not appropriate for Congress to act to meet a proven national need?

"Moreover, the unemployment incident to the reconversion period is unemployment that is a direct result of Federal action and Federal policies. We did not fight the war by separate State armies, nor let war contracts through State procurement agencies. It is the sudden termination of war contracts by Federal agencies in line with Federal policies properly established by Congress that is the cause of the unemployment with which we are confronted.

"It is clearly, therefore, the duty of Congress to act to meet the needs arising from these policies, especially in view of the fact that the States were given a year in which to prepare for this condition and made only meager and niggardly changes in the provisions of their laws.

"Some of the witnesses who appeared before your committee assumed a great deal to suspect that when they represented. One witness, Mr. Stanley Rector, presumed to speak for the 48 States. I call to your attention that Mr. Rector is a State employe, holding an appointive office. I do not question his appearing as a witness on technical matters, but I do question the propriety of his assuming to speak for 48 States. The Governors Conference which he stated he represented simultaneously with his representing the governor of his State have a vested interest in the operation of separate State agencies. His views on policy matters should be weighed accordingly.

"The objectivity of the testimony of Mr. Claude Williams, who appeared as chairman of the Texas Unemployment Compensation Commission, is still more open to question. Did the members of your committee know that at the time Mr. Williams appeared his resignation from his position had been accepted by the governor of Texas and that he had announced his acceptance of a position as attorney and legal advisor on social security legislation and taxes for a group of Texas industrialists? The following is quoted from the Dallas (Texas) Morning News of August 2, 1945:

"'Most of Williams' clients are members of the Texas Trade Association Executives who have made and are making large contributions to the unemployment compensation fund by terms of the social security laws, State and Federal. Williams is to protect their interests and defend the large trust fund against depredations, as recently threatened in Washington.'

"I shall not weary you with repeating the factual matter which I presented before the Senate Finance Committee, which clearly demonstrated the need for congressional action in this field. Those facts have not been controverted in the course of the hearings. Instead, opponents have raised false and irrelevant issues. The workers of America, Mr. Chairman, expect your committee to make its decision in the light of well-established facts and not on the basis of allegations and false charges brought forward by State employes and paid propagandists who have a personal stake in seeing that the Federal Government fails in its clear duty to assume leadership in providing adequate unemployment compensation for the period of the emergency."

Truman Message Spurs AFL Drive For More Pay For Gov't Workers

Washington, D. C.—President Truman gave strong support in his message to Congress for increases in the pay of Government employes, as demanded by AFL unions.

After recommending that the salary of members of Congress should be lifted from $10,000 to $20,000 a year, the President said:

"This should be the first step in creating a decent salary scale for all Federal Government employes—executive, legislative and judicial.

"In most of the various classifications of Federal employes the wage scales, with few exceptions, are obsolete and inadequate."

The President's recommendations gave new impetus to the drive of the AFL's American Federation of Government Employes' drive to obtain from Congress a pay increase of 25 per cent immediately.

While Congress recently boosted Federal pay, this gain was wiped out by reduction of the working hours of Government employes and loss of wartime overtime. As a result, many Government workers are worse off now than they were before.

'TOUGH JOB WELL DONE,' FORRESTAL TO GREEN

Washington, D. C.—In typically terse but expressive Navy style, Secretary of the Navy James Forrestal thanked the AFL and its President, William Green, on V-J Day "for a tough job well done." His letter to Mr. Green follows:

"On this day of final victory I am sending to the unions in your Federation which have worked most closely with the Navy a special letter of gratitude. May I at the same time extend to you and all of the national officers the Navy's thanks for a tough job well done."

DAVIS FIRMLY BACKS HIGH WAGE GOALS

Stabilization Chief Supports AFL Program For 50 Per Cent Higher Standards

Washington, D. C.—Giving official support to the AFL's wage program, Economic Stabilization Director William H. Davis declared that the Government's postwar economic policy should raise living standards 50 per cent without increasing the cost of living in the next five years.

At a news conference, he revealed that he will soon issue regulations intended to permit substantial wage increases without affecting the general price level.

He expressed the firm conviction that better wages do not result in price increases because extra costs are absorbed by higher productivity and more efficient production methods.

In support of this contention, Mr. Davis stated that the cost of living in 1944 was virtually the same as in 1919, despite an increase in the intervening 25 years in average hourly wages from 47 cents to $1.02 and in average weekly earnings from $22 to $46. This constant increase in wages in relation to prices was characteristic of our vigorous economy, he asserted.

He declared that the country was on the threshold of a period of rapidly expanding production.

He said that "if 8,000,000 unemployed was too many and the country was not willing to go back to conditions meaning such large-scale involuntary idleness.

The projected national labor-management conference, he conferred, should confine itself to doing what the President asks it to do by working out machinery for minimizing labor disputes.

Present labor laws were adequate, he said, adding that the National Labor Relations Board should not be forced to become a policeman of unfair employment practices. He urged discontinuance of strike votes.

He declared that seizure of property was the only useful wartime sanction for ending labor disputes, and he indicated that properties of Montgomery, Ward & Co. and of other firms seized to avert wartime work interruptions would be returned soon.

He opposed reduction of the work week below 40 hours until after the economy is stabilized at a high level.

BROWN POLLS GOVERNORS ON KILGORE BILL ISSUE

Washington, D. C.—President Harvey W. Brown of the International Association of Machinists (AAFL) sent urgent telegrams to the Governors of thirty-six states urging them to support the provisions of the Kilgore Unemployment Compensation Bill.

Mr. Brown denounced the misrepresentations with which opponents of the legislation have sought to "sabotage" it. Refuting the claims that federal supplementation of state benefits would be illegal under their laws, Mr. Brown cited an opinion from the general counsel of the Social Security Board to the contrary.

AFL UNION WINS VOTE OF COLORADO EMPLOYES

Denver.—Colorado employment service employes voted three to one in favor of affiliating with the American Federation of State, County, and Municipal Employes rather than the CIO. The vote was 93 to 31—an overwhelming victory for the AFSC&ME.

The CIO, being the losing union, will withdraw from all organizational activities for at least one year as provided in an agreement signed before the balloting took place.

H. E. Mueller, AFSC&ME general representative who has conducted an intensive organizational drive in Colorado, said, "With the full support of the Colorado State Federation and AFL central bodies throughout the state we were bound to win."

Reactionary Bloc Snipes At Vital Measures In President's Message To Speed Postwar Recovery

Washington, D. C.—President Truman faced his first major showdown with Congress after sending it a broad and progressive blueprint for rapid recovery.

The same Congressional combination of Southern Democrats and die-hard Republican Tories that lined up in former years against Roosevelt started sniping at President Truman's program immediately.

First target was the Kilgore Unemployment Compensation Bill, which the President recommended "not only as a matter of justice and humanity, but also as a matter of sound business."

As the bill's opponents whipped up a campaign to cut out provisions for expenditure of federal funds to supplement woefully inadequate state unemployment benefits, AFL President William Green stepped into the fray on President Truman's side.

Describing the Kilgore Bill as the No. 1 measure on the Federation's list of "must" legislation, Mr. Green warned members of Congress that they will have to face serious political consequences if they vote against it.

He also charged that the basic opposition to the bill stems from an "unholy combination" of state bureaucrats "who wish to perpetuate themselves in office" and big corporations "who would like to starve labor into submission."

Meanwhile, another sniping attack was launched by Senator Taft of Ohio against the Full Employment Bill, which was also strongly urged by the President. He said in his message:

"Full employment means full opportunity for all under the American economic system—nothing more and nothing less.

"In human terms, full employment means opportunity to get a good peacetime job for every worker who is ready, able and willing to take one. It does not mean made work, or making people work.

"In economic terms, full employment means full production and the opportunity to sell goods—all the goods that industry and agriculture can produce.

"In government terms, full employment means opportunity to reduce the ratio of public spending to private investment without sacrificing essential services.

"In worldwide terms, full employment in America means greater economic security and more opportunity for lasting peace throughout the world.

"These goals and the machinery to carry them out are set forth in legislation now pending before the Congress on which extensive public hearings have been held. The country justifiably expects early action along these lines."

President Truman's message was his first opportunity to chart new ground and make clear his own objectives since he took office. Until now he has been carrying out policies inherited from Roosevelt. It was also the first opportunity of the American people to judge the caliber of their new Chief Executive. Speaking for the AFL, Mr. Green declared the message measured up to the high confidence which the Federation placed in Truman.

Aside from endorsing the Kilgore Unemployment Compensation Bill and the Full Employment Bill, the President recommended immediate and "substantial" lifting of minimum wage levels. He said:

"The foundations of a healthy national economy cannot be secure so long as any large section of our working people receive substandard wages."

Thus new impetus was given to the drive for passage of the Pepper Bill which would set minimum wage levels at 65 cents an hour now and make the rock-bottom floor 75 cents an hour at the end of three years.

The President also supported labor's program by urging retention of price and rent controls to prevent inflation. Otherwise, he called for prompt elimination of other government controls in order to speed reconversion and encourage expanded peacetime production.

As an important aid to postwar recovery the President gave a strong boost to the Wagner Postwar Housing Bill which was originally sponsored by the AFL.

Furthermore, the President emphasized the need of increased pay for government workers, a goal pushed by many AFL unions representing federal employes.

The President asked only moderate reductions in taxes, but reactionaries in Congress immediately started the ball rolling to relieve big business of its heavy tax burdens.

Labor-Management Parley Set For Oct. 29 or Nov. 5

Washington, D. C.—The labor-management peace conference proposed by President Truman will be held in the nation's capital Oct. 29 or Nov. 5, it was announced by Secretary of Labor Schwellenbach.

His statement followed a preliminary meeting of representatives of the outstanding labor and industry organizations at which President William Green represented the AFL.

The conference named a subcommittee to draw up plans for representation at the forthcoming parleys and the agenda to be taken up. The AFL's man on the subcommittee is Robert J. Watt.

In order to prevent multiple controversies from wrecking the conference, the AFL has proposed that its agenda be limited to the main issue—how to set up procedures for the peaceful settlement of labor disputes now that the wartime no-strike pledge has expired and the National War Labor Board is about to go out of existence.

Both Secretary Schwellenbach and Secretary of Commerce Wallace made it clear that they had no intention of "steering" or "dominating" the conference but would seek to be helpful in guiding it to its objectives.

Whether the conference would decide to limit its work to formulating machinery for settlement of industrial disputes was not a matter that Secretaries Schwellenbach and Wallace felt they could discuss pending a report by the subcommittee.

Their attention was called to President Truman's statement in his message to Congress, in which he said that he would shortly convene a conference of representatives of organized labor and industry "for the purpose of working out by agreement means to minimize labor disputes."

Secretary Schwellenbach was asked to explain what interim machinery might be available to handle industrial disputes pending the possible establishment of a new set-up in place of the present War Labor Board as a result of the forthcoming conference.

He replied that under the President's recent Executive Order it was his duty to certify cases to the War Labor Board and that the board would be terminated as soon as it disposed on the cases in an orderly way after the conclusion of the conference. He added that the Conciliation Service would also be strengthened in the meantime.